Acting Chief C/RR

28 Sept 1955

Acting Chief D/E/RR

ICA/MDAC Request for Expression CIA Position re Clearance Portions Third Report Diversion Control Network (ED/EC D-58-2) for Congressional Hearing

- 1. This memorandum records the handling of a request received today by Acting Chief D/E from Nr. Tilson, ICA/MDAC, who called on behalf of Admiral DeLany. Mr. Tilson asked that CIA review the Third Annual Report of the Operations of the DCN (ED/EC D-58-2, 20 September 1955, SECRET) and advise relative to our attitude on making available information therein to the McClellan Committee in executive session. Mr. Tilson further stated that the matter would be brought up for discussion in the DCN tomorrow.
- 2. Initially Acting Chief D/E advised Sr. Tilson that we would discuss the matter with Acting Chief C and would review /gency regulations. Regulation Number 10-12 provides: (in part)
 - *12. RELEASE OR DISCLOSURE OF CLASSIFIED OR UNCLASSIFIED CIA INTELLIGENCE MATERIAL TO THE CONCLESS OF THE UNITED STATES
 - "A. The following policy will govern the release in writing, or the disclosure orally, of CIA intelligence material, whether classified or unclassified, to the Congress, its Committees or individual members.
 - "E. Release of intelligence material with a classification of SECRET or TOP SECRET must be authorized by the National Security Council, on advice of the Director. ...
 - *F. (1) Every request from the Congress for CTA intelligence material will be referred initially to the General Counsel.
 - (4) The AD/NE will inform the General Counsel of the final decision and action to be taken in each case, and the General Counsel will be responsible for implementing the decision.
 - (5) Extreme care will be exercised not to reveal the sources of intelligence information or the techniques or methods used in its collection."

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- 3. The DCN Report, which is the subject of the "DAC inquiry, contains throughout considerable material which tends to throw light on intelligence sources and methods. It is an informative account of intelligence support and operational activity in the trade central field, and the data presented is so woven together that it is very difficult to separate out a "pure intelligence" component. In our opinion, the entire report should be considered an intelligence document, even though not prepared by an intelligence agency. Substantial portions of the report were prepared by the CIA Representative to the DCN.
- 4. Acting Chief D/E made an oral report of the foregoing request to Asting Chief C shortly after receiving Mr. Tilson's call. Acting Chief D/E recommended the following course of setion: that he advise Mr. Tilson that the matter had been discussed with Chief/C; that Acting Chief D/E had been advised that it was not practicable for CIA to respond specifically to this request without being further advised of the setting and general plans for discussing enforcement of trade controls with the Congressional committee; that it was not feasible, in view of stringent Agency procedures, for an informal response to be made; that it was impracticable to identify adequately portions of subject report with intelligence significance without considering the other information that might be made available. For these reasons, it was concluded that DAC should be asked to prowide CIA with a briefing paper which it proposed to utilise for the Congressional hearings, and this paper would be reviewed in accordance with prescribed Agency procedures re the clearance of intelligence meterial.
- 5. Acting Chief C authorized Acting Chief D/E to act upon the foregoing recommendation. An attempt was made to telephone to Fr. Tilson, but he had left his office for the balance of the day. A message was left requesting he telephone to 25X1A9a latter's absence, to tomorrow.
- 6. In the past, MDAC has made several requests on CIA for the release of classified information to Congressional committees. The precedent for limiting ORR participation to coordinating the clearance of an MDAC draft was set in 1953 when Mr. Amory (as DD/I) remarked that in such circumstances CIA should let MDAC do its own work.

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